

**Challenger Session 1999**  
**November 30, 1999**

**Initial Session Notes (Presentations and Q&A):**

Jane Garvey Presentation and Discussion: Some key points

- When people make comments, they should be followed by solutions.
- FAA has seen the comments the aerospace community has submitted so far (that is, submitted in response to the request in the session invitation).
- The Associates are here; seek them out.
- The product of this Challenger Session will be incorporated into the FAA Strategic Plan and into FAA priorities. FAA will come back to you in about a week with the unedited session comments, and in a month will provide an FAA response on how we plan to address those comments.
- Think about what it is like from FAA perspective, with many constituencies, and how you would alter a comment in light of it.
- Policy questions underlying our discussion include how find right balance between speed and accuracy; responsive v. responsible; collaboration and regulation; and process v. progress.
- Are we sure we're always doing business in the most efficient way possible? What do we need to stop doing? Can we do business smarter?

**Q&A:**

- Steve James, British Embassy: Labor government is going to privatize ATC; we think it is the way forward to separate regulation from providing service. What is your opinion of separating the parts of FAA and how would you achieve it?  
ANSWER: We'll be interested in watching. The Administration put forward a corporatized system twice; Congress is not interested. Last year, proposed a Performance-Based Organization in FAA and government, but split out. Congress not interested last year either. Next year should bring very active debate on spinning off the ATC system. Questions being asked, e.g., what happens to small communities, how is safety protected. FAA can do many things to become more businesslike short of privatization – cost control and the cost accounting system is a first step, and we are laying out the process. We want to do everything we can short of legislation. Performance metrics as well.
- Steve James, British Embassy: Will the airline industry be in front pushing for privatization or FAA? ANSWER: Both working together will lead the push. Working together will have the most impact on Congress. Industry wants to know more exactly what FAA has in mind.
- Congress authorized the Management Advisory Committee (MAC); do you foresee appointing it in next year, and will it change FAA management? Also, has

management taken full advantage of the legislative freedom it has been given?

ANSWER: FAA nominated 12 people for the MAC, the White House has vetted them. Will be nominated together, probably, and soon. Congress is also interested in an oversight board slightly different from the MAC; that will have to be reconciled and melded. On personnel reform, we've had success on bringing in outside folks from industry with bonuses. As healthy as industry is, there have been limitations on what FAA can do in recruiting. Moving from tenure to rewarding for performance is tough – pay for performance – and Glenda Tate is moving us forward well. FAA has been tenure-based for 40 years. When we finally get pay for performance is when we will see things move forward. GLENDA TATE: We-re moving forward. NAPA did an independent evaluation and said FAA has an excellent design – but the key will be moving from tenure to pay-for-performance.

- Steve Wurst, Space Access: You wear many hats – you are charged with both regulating and promoting commercial space. What are your thoughts on that “juggling act” and what the future might have in store on promoting commercial space? ANSWER: FAA has been pulled back from promoting aviation but not space. Patti Grace Smith is a strong proponent for commercial space within FAA. The work we have done with you on developing regulations and other areas has given you some great possibilities. First threshold is working within the Federal Government and the Administration.
- Michael Kelly, Commercial Space: Patti Grace Smith is doing well, but AST is very strapped for resources – stretched to the limit. Please consider expanding AST resources. This industry is on an upswing.

[Click here for FAA morning presentations.](#) There were no questions and answers.

- Tom McSweeney, Associate Administrator for Regulation and Certification, discussed Safety.
- Bill Davis, Deputy Associate Administrator for Civil Aviation Security spoke on Security.
- Steve Brown, Associate Administrator for Air Traffic Services, and Steve Zaidman, Associate Administrator for Research and Acquisition, spoke on System Efficiency.